

Message Text

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PAGE 01 TOKYO 01395 010631Z

14

ACTION COME-00

INFO OCT-01 EA-11 ISO-00 AGR-20 EB-11 XMB-07 OMB-01

CIAE-00 DODE-00 FMC-04 INR-10 NSAE-00 RSC-01 CG-00

COA-02 DLOS-06 L-03 AID-20 DRC-01 /098 W

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R 310848Z JAN 74

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 9663

LIMITED OFFICIAL USE TOKYO 1395

PASS TO MARITIME ADMINISTRATION AND USDA

EO 11652: NA

TAGS: ETRN JA

SUBJ: PR-17 WAIVERS

1. EMBOFF IN INFORMAL DISCUSSION WITH NIPPON YUSEN KAISHA (N.Y.K.) OFFICIALS WAS UNOFFICIALLY INFORMED THAT IF MARAD DECIDES TO GRANT JAPANESE FLAG CARRIERS STATUTORY WAIVERS AND NOT GENERAL WAIVERS FOR PARTICIPATION CURRENT EXIMBANK COTTON MOVEMENT (FROM GULF COAST ONLY), NYK AND PERHAPS OTHER JAPANESE FLAG LINES MIGHT DECLINE TO PARTICIPATE DUE TO REDUCED SAILINGS CURRENTLY IN EFFECT OR PLANNED. ISSUANCE OF GENERAL WAIVER, HOWEVER, MIGHT INDUCE JAPANESE LINES TO CANCEL PLANNED REDUCED SAILINGS OR EVEN REINSTATE SOME SAILINGS ALREADY REDUCED.

2. WHEN QUERIED AS TO WHY THIS STATEMENT WAS VOLUNTEERED, NYK OFFICIALS ADVISED THAT IT WAS THEIR UNDERSTANDING THAT LYKES LINES WAS COMPLAINING ABOUT SHIPPER PRESSURE TO CARRY STILL MORE COTTON THAN THEY ARE PRESENTLY CARRYING AND THAT LYKES WAS FAST APPROACHING THE SATURATION POINT AS TO THE AMOUNT OF COTTON THEY COULD CARRY WITHOUT SHUTTING OUT MORE REMUNERATIVE CARGO.

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PAGE 02 TOKYO 01395 010631Z

3. EMBOFF ELICITED FURTHER THAT IN NYK'S OPINION IF

MARAD DEEMED A WAIVER NECESSARY, THEN IT SHOULD BE
GENERAL NOT STATUTORY.

4. EMBOFF INQUIRED OF LYKES TOKYO ON THE MATTER, BUT
THEY ADVISED THAT THE TOKYO OFFICE WOULD NOT NECESSARILY
BE AWARE OF THE SITUATION.

5. USDA TOKYO ADVISES THAT THERE ARE RUMORS, CONFIRMED
BY JAPAN COTTON TRADERS ASSOC. (JCTA) AND JAPAN SPINNERS
ASSOC. (JSA), INDICATING THAT COTTON IMPORTERS ARE
EXPERIENCING DELAYS IN IMPORTING COTTON FROM GULF COAST
WHICH IS WHERE LYKES OPERATES. NO DELAYS REPORTED ON
COTTON FROM PACIFIC COAST (SEE TOFAS 61).

6. JCTA ALSO ADVISED THAT THE FAR EAST CONFERENCE IS
CONTEMPLATING COTTON OCEAN FREIGHT RATE INCREASE OF
US\$20 PER TON BEGINNING APRIL, 1974.

7. USDA ADVISES THAT OF TOTAL 1.5 MILLION BALES
JAPANESE PURCHASED 1973 CROP COTTON, 149,000
BALES HAVE BEEN SHIPPED AS OF DECEMBER 2. OF THE
1.5 MILLION BALES, APPROXIMATELY 187,000 BALES IS
EXIMBANK FINANCED.

8. CANNOT VERIFY FOREGOING ANY FURTHER HERE, BUT
SUGGEST CHECK BE MADE TO DETERMINE IF LYKES IS CAPABLE
OF CARRYING AT LEAST THE EXIMBANK COTTON WITHOUT
GRANTING WAIVER.
DECONTROL UPON RECEIPT
SHOESMITH

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COTTON, MARINE CARGO, CARGO SHIPS, SHIPS PAPERS, FLAG DISPLAY REGULATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 31 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
Errors: N/A
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Handling Restrictions: n/a
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ISecure: 1
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Previous Handling Restrictions: n/a
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Review Comment: n/a
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Review Markings:

Declassified/Released
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EO Systematic Review
30 JUN 2005

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